

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 97-142-W/S - ORDER NO. 97-339
APRIL 23, 1997

IN RE: Application of Point South Water and)
Sewer, Inc. for Approval of the Transfer)
of Assets to Beaufort/Jasper Water and)
Wastewater Authority.)

ORDER
APPROVING
TRANSFER

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Point South Water & Sewer, Inc. (Point South or the Applicant) pursuant to S.C. Code Ann. Regs. R.103-504 and 704, and other applicable rules and regulations of the Commission for approval to transfer its water and wastewater facilities and territory to Beaufort-Jasper Water and Sewer Authority. The Applicant noted the following salient facts.

Point South is a South Carolina corporation. Point South's current schedule of rates and charges was approved in Commission Order No. 93-485, dated June 22, 1993 in Docket No. 92-135-W/S. Maps of Point South's authorized territory, which is located in the Point South Section of Jasper County, are on file with the Commission. Point South's operations in South Carolina are subject to the jurisdiction of the Commission pursuant to S.C. Code Ann. Section 58-5-10 et. seq. (1976, as amended).

Beaufort-Jasper Water and Sewer Authority is authorized to provide water and sewer utility services in the unincorporated areas of Beaufort and Jasper Counties, South Carolina, including the Applicant's authorized territory.

Beaufort-Jasper Water and Sewer Authority has developed an orderly plan for the combination of its water and wastewater facilities with those of Point South which, because of the economies of scale and concentrated financial power which would result therefrom, will allow for development of more efficient and better quality water and wastewater services to customers in Point South's service areas. According to the Application, absent such a combination, Point South would be required to incur, and pass on to its customers significant capital costs and expenses to make such improved services available. Moreover, the consolidation of water and wastewater systems will improve and simplify environmental compliance. Point South therefore desires to terminate its public utility functions and transfer its water and wastewater facilities and territory to Beaufort-Jasper Water and Sewer Authority, and Point South believes that such a transfer will be in the public interest for the aforestated reasons.

Accordingly, Beaufort-Jasper Water and Sewer Authority and Point South have negotiated a contract whereby Beaufort-Jasper Water and Sewer Authority will acquire the water and sewer facilities presently held by Point South.

If this Application is granted, customers in Point South's current service area will be charged for services at

Beaufort-Jasper Water and Sewer Authority's standard rates, as provided in that Authority's rate schedule. Although there may be a slight increase in monthly charges to Point South's customers, Point South submits that the slight increase in rates is outweighed by the benefits that will accrue to Point South's customers from the transfer.

It should be noted that all the customers of Point South Water and Sewer, Inc., as well as the County of Jasper for its Fire Station which is located in the service area, have agreed to this transfer. Further, the South Carolina Department of Health and Environmental Control (DHEC) has been notified.

Accordingly, Point South submits that it is in the best interest of its customers that the Commission approve the transfer of the Point South Water and Sewer, Inc. water and wastewater facilities and territory to Beaufort-Jasper Water and Sewer Authority.

Since all customers have agreed to the transfer, Point South requests that the requirement for notice and hearing be waived, and that the bond presently held for Point South as a Performance Bond be cancelled upon approval of the transfer.

Transfers of utilities are governed by Regs. 103-504 and 103-704. Under such Regulations, the Commission must examine the matter and determine that a Certificate shall be issued that the sale or acquisition is in the public interest. We have examined this matter, and believe the the sale is clearly in the public interest. It appears that Point South's customers can do nothing

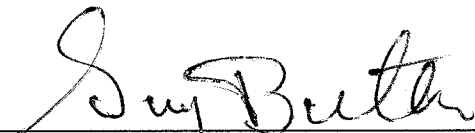
but benefit from the sale.

Further, since all of Point South's customers have consented to the sale, we see no need for the notice and hearing provided for in R.103-504 and 103-704, and, accordingly, pursuant to R.103-501 and 103-701, we waive these requirements of the regulations. Further, we believe that the Performance Bond presently held on behalf of Point South Water and Sewer, Inc. should be cancelled as soon as the closing and transfer is complete.

IT IS THEREFORE ORDERED THAT:

1. Notice and hearing in this matter shall be waived.
2. The proposed transfer is approved, and requested Certificate is granted.
3. The Performance Bond shall be cancelled at or after the time of official closing wherein the transfer shall be completed to Beaufort-Jasper Water and Sewer Authority.
4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)